

In the Matter Of:

In Re: LTL Management, LLC

RICHARD DICKINSON

April 17, 2023



1
2 UNITED STATES BANKRUPTCY COURT
3 DISTRICT OF NEW JERSEY

4 -----X
5 In Re:

6 LTL MANAGEMENT, LLC,
7
8 Debtor.

9 Case No. 21-30589 (MBK)
10 -----X

11 ***CONFIDENTIAL***

12 VIDEOTAPED DEPOSITION OF RICHARD DICKINSON
13
14
15

16 DATE: April 17, 2023

17 TIME: 10:02 a.m.

18 PLACE: ***REMOTE***

19 BEFORE: Rebecca Schaumloffel, RPR, CCR-NJ

20 JOB NO: 2023-893393
21
22
23
24
25

A P P E A R A N C E S :

BROWN RUDNICK

Attorneys for the Talc Claimants

7 Times Square

New York, New York 10036

BY: LYDELL BENSON, ESQ.

MARK S. BALDWIN, ESQ.

GENOVA BURNS, LLC

Attorneys for Creditors' Committee

110 Allen Road, Suite 304

Basking Ridge, New Jersey

BY: DANIEL STOLZ, ESQ.

JONES DAY

Attorneys for the Debtor

250 Vesey Street

Suite 31

New York, New York 10281

BY: JAMES JONES, ESQ.

MARK RASMUSSEN, ESQ.

LEVY KONIGSBERG

Attorneys for Talc Claimants

605 Third Avenue, 33rd floor

New York, New York 10158

BY: JEROME BLOCK, ESQ.

Appearances (continued:)

LOWENSTEIN SANDLER
1251 Avenue of the Americas
New York, New York 10020
BY: JENN KIMBLE, ESQ.

OFFICE OF THE UNITED STATES TRUSTEE
Attorneys for the United States
Department of Justice
One Newark Center
Suite 2100
Newark, New Jersey 07102
BY: JEFF SPONDER, ESQ.

PACHULSKI STANG ZIEHL & JONES
Attorneys for Arnold & Itkin
10100 Santa Monica Boulevard
13th floor
Los Angeles, California 90067
BY: KAREN DINE, ESQ.

THE RUCKDESCHEL LAW FIRM, LLC
Attorneys for Paul Crouch
8357 Main Street
Ellicott City, Maryland 21043
BY: JONATHAN RUCKDESCHEL, ESQ.

Appearances (continued:)

SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP
Attorneys for the Debtors
One Manhattan West
New York, New York 10001
BY: (No appearance)

WHITE & CASE
Attorneys for Johnson & Johnson
767 Fifth Avenue
New York, New York 10153
BY: JOSHUA WEEDMAN, ESQ.
KATHYRN KUETHMAN, ESQ.

WOMBLE BOND DICKINSON
Attorneys for Ad Hoc Committee of
States Attorney Generals
100 Light Street
26th floor
Baltimore, Maryland 21202
BY: LISA TANCREDI, ESQ.

ALSO PRESENT:

Deane Carstensen, Lexitas
John Kim, Esq.

* * *

1 R. DICKINSON

2 THE VIDEOGRAPHER: We are now on
3 the record. Today's date is April 14,
4 2023, and the time right now is
5 10:04 a.m. Eastern Daylight Time.

6 This is the video deposition of
7 Richard Dickinson in the matter of LTL
8 Management, LLC, filed in the United
9 States Bankruptcy Court, District of
10 New Jersey, case number 23-12825
11 (MBK).

12 This deposition is taking place
13 via web video conference with all
14 participants attending remotely.

15 My name is Dean Carstensen. I'm
16 the videographer representing Lexitas.

17 Counsel will be noted on the
18 stenographic record.

19 And our court reporter today is
20 Rebecca Schaumloffel, also
21 representing Lexitas.

22 The court reporter can now swear
23 in the witness and then we may
24 proceed.

25 THE COURT REPORTER: And just to

R. DICKINSON

note: Today's date is April 17, 2023.

RICHARD DICKINSON, called as a witness,
having been first duly sworn by a Notary
Public of the States of New York, New
Jersey, and Pennsylvania was examined and
testified as follows:

MR. JONES: Lydell, excuse me,
just for a second.

Mr. Dickinson, excuse me, as
well.

We have a standing agreement
with the committee in these cases
about provisional confidentiality of
the transcript. It should be marked
as confidential pursuant to that
agreement.

We will be making new
designations of confidentiality within
24 hours of receiving the final
transcript, but anyone on the call now
who will not abide by provisional
confidentiality should sign off. I

1 R. DICKINSON

2 know Mr. Sponder is going to make a
3 statement, and that's fine.

4 But, others, please sign off if
5 you're not willing to abide by
6 provisional confidentiality.

7 Thank you very much.

8 MR. SPONDER: Hi. This is Jeff
9 Sponder from the office of the United
10 States Trustee.

11 Judge Kaplan made a ruling on
12 this past Thursday carving out the
13 United States Trustee from the
14 District of New Jersey,
15 confidentiality or protective order,
16 and the United States Trustee did not
17 sign on to the prior case, LTL I one
18 Protective Order.

19 Thank you.

20 MR. BENSON: All right. I think
21 we can get started.

22 EXAMINATION BY

23 MR. BENSON:

24 Q. Good morning, Mr. Dickinson.

25 A. Good morning.

1 R. DICKINSON

2 Q. Can you hear me okay?

3 A. I can.

4 Q. All right. My name is Lydell

5 Benson. I'm an attorney with Brown Rudnick.

6 Brown Rudnick, we represent the Official

7 Committee of Talc Claimants.

8 How are you doing this morning?

9 A. I'm doing great. How are you?

10 Q. I'm doing well.

11 Are you represented by counsel

12 this morning?

13 A. I am.

14 Q. Could you please state your full

15 name for the record?

16 A. Richard Frank Dickinson.

17 Q. Mr. Dickinson, you were deposed in

18 connection with LTL's first bankruptcy,

19 correct?

20 A. That is correct.

21 Q. By Jeff Jonas, right?

22 A. And others, correct.

23 Q. And was that your first

24 deposition?

25 A. Yes.

1 R. DICKINSON

2 Q. Was that the last time you were
3 deposed?

4 A. That is.

5 Q. Okay. Well, given that, let me go
6 over a few housekeeping matters for today's
7 deposition.

8 The court reporter will take down
9 my questions and your answers, so it's
10 critical that you provide verbal responses to
11 my questions. Sometimes deponents will nod
12 their head or respond with uh-hum or mh-hmm
13 or hm-hmmm. I will correct you if that
14 happens, but if you can try your best to give
15 verbal responses, that would be great.

16 It's also critical that only one
17 of us are speaking at a time, including your
18 counsel when we might be engaged in the back
19 and forth. So I will do my best to allow you
20 to finish answering your question and I would
21 ask that you allow me to finish asking my
22 question before you begin.

23 Is that clear?

24 A. Yes. Mr. Benson, it's a little
25 muffled at times to hear you.

1 R. DICKINSON

2 Q. How about now?

3 A. I think that's better, but...

4 Q. Okay, I'll try my best.

5 THE COURT REPORTER: I was going
6 to say the same thing. You were going
7 in and out.

8 MR. BENSON: Okay. How about
9 now?

10 THE COURT REPORTER: Now seems
11 okay.

12 MR. BENSON: Okay, good.

13 MR. BLOCK: If you just keep
14 your voice up, I think that will be
15 fine.

16 MR. BENSON: Okay, I can do
17 that.

18 BY MR. BENSON:

19 Q. Mr. Dickinson, if you do not
20 understand a question, please ask for
21 clarification. If you cannot hear my
22 question or if I'm not speaking loud enough,
23 you know, as you just did, please let me know
24 and I will try my best to raise my voice.

25 I may ask a bad question. If I

1 R. DICKINSON

2 do, just let me know; I will try to rephrase
3 it, have it read back.

4 You understand that today you are
5 giving testimony under oath?

6 A. I do.

7 Q. You understand that means that you
8 are legally obligated to answer these
9 questions truthfully?

10 A. I do.

11 Q. So we are seeking complete
12 information that encompasses all of your
13 knowledge on the subjects that we will cover
14 today. And the purpose is for you to provide
15 complete and truthful answers.

16 Is there any reason that you're
17 aware of that you cannot testify completely
18 and honestly today?

19 A. No.

20 Q. You are welcome to ask for a
21 break, but I do ask that if I'm in the middle
22 of a question or if I have a pending
23 question, that you just let me finish that
24 before the break. You don't need to give me
25 a reason why, that's totally fine.

1 R. DICKINSON

2 Is that understood?

3 A. Thank you for that, Mr. Benson.

4 Yes, it's understood.

5 Q. All right. If during the
6 deposition, you remember something that
7 changes a previous answer, please -- so you
8 can correct your prior answer.

9 Also, you may hear objections to
10 certain questions, which is fine. In the
11 event that that happens, you should still do
12 the best that you can to answer my question.
13 If you are instructed not to answer, it's up
14 to you to take that advice of counsel.

15 And, again, just to reorient you,
16 just because we are taking a remote
17 deposition, what we'll do is I'll call out
18 documents, for example, tab 1, and the doc
19 tech will put the document on the screen as
20 we went through earlier.

21 THE COURT REPORTER: Excuse me,
22 whoever is not speaking, please mute
23 yourself. Thank you.

24 I muted them.

25 Q. Mr. Dickinson, if I say LTL I or

1 R. DICKINSON

2 LTL's first bankruptcy, can we agree that I'm
3 referring to the bankruptcy filed on
4 October 14, 2021?

5 A. Yes.

6 Q. And if I say LTL II or LTL second
7 bankruptcy, can we agree that I'm referring
8 to the LTL's bankruptcy filed on April 4,
9 2023?

10 A. Yes.

11 Q. Great. Mr. Dickinson, where are
12 you located right now?

13 A. I'm in New Brunswick, New Jersey.

14 Q. Okay. Is there anyone else in the
15 room with you?

16 A. No.

17 Q. I take it you are at your office?

18 A. I am.

19 Q. Okay. So I assume you have other
20 materials in the room with you, your
21 computer, the mouse, notepads or notes, and
22 things like that?

23 A. That is correct.

24 Q. Do you have any other documents in
25 the room with you right now or at your ready?

1 R. DICKINSON

2 So...

3 Q. Sir, could you identify any
4 financial consequence to LTL from terminating
5 the 2021 Funding Agreement?

6 A. I'm going to defer to Mr. Kim and
7 the legal team for that answer.

8 Q. So you, personally, cannot
9 identify any financial consequence to LTL
10 from terminating the 2021 Funding Agreement,
11 true?

12 MR. JONES: Object as asked and
13 answered.

14 A. No.

15 Q. No, you cannot?

16 A. I already answered that question.

17 Q. Sir, I just don't want to have a
18 double negative. You said no. And I was
19 just trying -- so we're going to have to do
20 that again.

21 Mr. Dickinson, can you,
22 personally, identify any financial
23 consequence to LTL from terminating the 2021
24 Funding Agreement, yes or no?

25 A. No, I cannot.

1 R. DICKINSON

2 Mr. Prieto told you.

3 But you can answer the question
4 about other persons.

5 BY MR. BLOCK:

6 Q. Let me rephrase the question.

7 Other than what is shown here in
8 the minutes about what Mr. Prieto said to you
9 about the risk that the 2021 Funding
10 Agreement was potentially void or voidable,
11 do you have any other information about that?

12 A. Once again, I'm going to defer to
13 the meeting minutes. There could have been
14 -- more than Mr. Prieto, but I'm going defer
15 to the meeting minutes, resolutions, and the
16 presentations.

17 Q. Okay. No businessperson at JJCI
18 or J&J ever told you as a businessperson that
19 the 2021 Funding Agreement was void or
20 voidable, correct?

21 A. That is correct.

22 Q. No businessperson at J&J or JJCI
23 ever told you that they thought the 2021
24 Funding Agreement was unenforceable, correct?

25 MR. JONES: Are you defining

1 R. DICKINSON

2 "businesspersons" other than lawyers?

3 MR. BLOCK: Let's have the
4 question read back.

5 Yes, of course.

6 MR. JONES: All right. There
7 are business lawyers who are
8 credentialed with a JD, Mr. Block.

9 MR. BLOCK: Let's just have the
10 question read back so we can get a
11 clean answer.

12 Actually, let me it ask again.

13 I think it will be quicker.

14 Sorry, Madam reporter.

15 BY MR. BLOCK:

16 Q. Sir, can you hear me okay?

17 A. I can.

18 Q. Okay. Mr. Dickinson, no
19 businessperson at J&J or JJCI ever told you
20 that they believed that the 2021 Funding
21 Agreement was unenforceable, correct?

22 A. Correct.

23 MR. JONES: Object -- you may
24 share that which is not a privileged
25 communication with counsel, if there

1 R. DICKINSON

2 its liabilities on April 3, 2023?

3 A. Mr. Ruckdeschel, with all due
4 respect, I already answered that question.

5 Q. You didn't, sir. You said --

6 A. I did answer that question. I
7 just -- I referred you to the document that
8 you make your own conclusion, you know, from
9 the document that was within the -- imbedded
10 in the presentation and in our MOR filings.

11 Q. On April 3 of 2023, was LPL able
12 to meet its liabilities as they came due?

13 A. Yes.

14 Q. All right. On April 4, after the
15 restructuring, was LTL able to meet its
16 liabilities as they came due?

17 A. Yes.

18 Q. All right. Now, sir, with respect
19 to the restructuring -- I'm sorry, strike
20 that question.

21 With respect to the dismissal of
22 the first bankruptcy, after the dismissal
23 order was entered on January 30th, I believe,
24 of 2023, did LTL perform any evaluation as to
25 how much money it would take to fund a return

1 R. DICKINSON

2 to litigating talc claims in the tort system
3 over the following 12 months?

4 A. I didn't see any written
5 estimation or nor do I know of any.

6 Q. All right. And would that -- that
7 would be the same with respect to if I
8 expanded that period over the next -- did
9 LTL, after the January 30 dismissal order
10 from the Third Circuit, did LTL perform any
11 evaluation of how much cash flow it would
12 require to manage its talc liabilities in the
13 tort system over the next three years?

14 A. I didn't see anything in writing,
15 nor did I do it.

16 Q. All right. And you are not aware
17 of any evaluation that was performed -- you,
18 the CFO of LTL, are not aware of any
19 evaluation that was performed to ascertain
20 what the expected cash flow demands would be
21 of returning these cases to the tort system.

22 Fair?

23 A. That is fair, Mr. Ruckdeschel.

24 MR. RUCKDESCHEL: All right.

25 And I have no further questions.